

~~SECRET~~SOVIET DEFENSE BUDGET1. (S/NFD) TrendsTable 1. USSR Estimated Military and Space Expenditures
(Billions of 1964 U.S. Dollars)

<u>Mission Program</u>	<u>CY 63</u>	<u>CY 64</u>	<u>CY 65</u>	<u>CY 66</u>	<u>CY 67</u>	<u>CY 72</u>
Strategic Attack	5.4 ^{5.6}	4.4 ^{4.5}	4.4 ^{4.3}	5.7 ^{5.1}	6.7 ^{6.6}	5.3 ^{5.7}
Strategic Defense	4.9 ^{4.8}	5.1 ^{4.9}	5.1 ^{4.8}	5.5 ^{5.2}	6.0 ^{5.6}	9.3 ^{7.4}
General Purpose	17.4 [✓]	17.3 [✓]	17.3 [✓]	17.3 [✓]	16.7 ^{16.6}	17.4 ^{16.6}
Command & Support	12.6 [✓]	13.1 [✓]	13.5 [✓]	13.7 [✓]	13.7 [✓]	14.7 ^{13.6}
RDTE & Space	8.4 [✓]	9.5 [✓]	10.5 ^(10.4)	12.3 ^(12.0)	13.2 [✓]	20.0 ^{19.4}
Total	48.7 ^{18.6}	49.4 ^{49.3}	50.7 ^{50.6}	54.2 [✓]	56.3 [✓]	66.7 ^{62.7}

Table 2. Estimated Percent Distribution of USSR Military and Space Expenditures
(Calculated on a Constant Ruble Basis)

<u>Mission Program</u>	<u>CY 63</u>	<u>CY 64</u>	<u>CY 65</u>	<u>CY 66</u>	<u>CY 67</u>	<u>CY 72</u>
	(%)	(%)	(%)	(%)	(%)	(%)
Strategic Attack	16	12	11	14 ^{12.3}	15 ¹¹	10 ¹¹
Strategic Defense	12	13	12	13 ¹¹	14 ¹⁰	18 ¹⁵
General Purpose	35	35	35	31 ²⁹	28 ²⁷	25 ²⁵
Command & Support	16	16	16	15 ²¹	15 ²³	13 ¹³
RDTE & Space	21	24	26 ²⁶	27 ²⁷	28 ³⁰	34 ³⁶
Total	100	100	100	100	100	100

2. (S/NFD) Significance

General. Soviet military spending is increasing 4-5 percent annually and accounts for about 10 percent of the nation's GNP. It is also absorbing a large portion of the annual increases in top-quality manpower and material.

Strategic Forces. 1972 resource allocation estimates reflect the change in emphasis from offensive to defensive forces expected in the next 5 years. Whereas strategic attack forces took approximately 15 percent of the military budget in 1967, their share will be declining and will probably be only 10 percent in 1972. Strategic defense force expenditures are expected to increase by 50³⁰ percent. The following are the more significant trends within the strategic forces expenditures category:

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Excluded From Automatic Downgrading

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Strategic Attack. Expenditures for ICBMs probably peaked in 1967 at an annual level of 4.2 billion dollars, about double the 1962-65 level. The ballistic missile submarine program budget is on the rise and by 1972 probably will be on the order of ~~700 million~~ ^{one billion} dollars, or ~~double~~ ^{the 1967 level}. No change in the modest level of long range bomber force spending has been detected or is believed to be planned for the near future.

← Same decline is expected from about 1 billion to about 0.8

Strategic Defense. The forecast of a rapid increase in ABM deployment is the basis for an estimate that ballistic missile defense spending will reach the equivalent of at least 2½ billion dollars by 1972. Surface-to-air missile defense will continue to require about 2.5 billion dollars annually. Procurement of new interceptor aircraft will require expenditures of over 2 billion in 1972 if the newer generation of fighters seen at the recent Moscow air show are supplied to operating units.

No! About 1.3 billion
RIA is probably including SA-5 (Russia)

← 0.7-72 figure is 1.3 billion

(ok, if TA 11.7 is included)

General Purpose Forces. Expenditure levels are estimated to remain relatively stable at the 16-17 billion dollar level, which have been typical since the early 1960s.

Research & Development. We foresee continued priority in Soviet planning for the development of new weapon systems and the making of new strides in space exploration. Spending on such programs will probably amount to 1/3 of all Soviet military spending and reach an annual level equivalent to 20 billion dollars by 1972, compared with 13.2 billion dollars in 1967.

ok

19.4

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